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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 12.09.2023

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THE HONOURABLE MRS.JUSTICE S.SRIMATHY

W.P.(MD)No.14773 of 2020

M.Thirumalai Palpandian

... Petitioner

Vs.

1. The Reserve Bank of India,
Represented by its General Manager,
Rajaji Salai,
Chennai-600 001
2. The Regional Manager
Canara Bank, Risk Management/credit Review
and Monitoring Section,
Circle Office, Madurai.
3. The Divisional Manager
Canara Bank,
Regional Office,
Theni, Theni District.
4. The Branch Manager
Canara Bank, Theni Branch, Madurai Road,
Theni District.

... Respondents



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PRAYER : Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Mandamus directing the respondents 2 to 4 herein to return the jewels pledged under GL A/C.No.1020842138285 on 12.03.2018 to the petitioner on settling the dues and interest upto 31.03.2019 and consequently order compensation of Rs.1,00,000/-for causing mental agony and making the petitioner to run from pillar to post from 02.05.2018.

For Petitioner : M/s.N.Marimuthu
V.M.Jegadeeshapandian

For R-2 to R-4 : Mr.M.Suresh, for
Mr.R.Anandharaj

ORDER

This Writ petition has been filed for Mandamus, directing the respondents 2 to 4 herein to return the jewels pledged under Gold Loan Account A/C.No.1020842138285 on 12.03.2018 to the petitioner on settling the dues and interest upto 31.03.2019 and also seeking a consequential direction to grant compensation of Rs.1 Lakh for causing mental agony and making the petitioner to run from pillar to post from 02.05.2018.



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2. Heard M/s.N.Marimuthu, V.M.Jegadeeshapandian, the Learned counsel appearing for the Petitioner and Mr.M.Suresh, for Mr.R.Anandharaj, the Learned counsel appearing for Respondents 2 to 4 and perused the material documents available on record.

3. The petitioner has obtained Gold Loan for Rs.2,40,000/- by pledging the gold on 12.03.2018. Subsequently, during the loan period the petitioner received an information that a list is affixed in the Branch of the 4th respondent Bank indicating that some of the jewels are missing and that the petitioner's name is in the list and the petitioner's jewels are also missing. The petitioner was directed to prefer a complaint to the 2nd respondent. Hence, the petitioner has approached the 2nd respondent office at Madurai and submitted a letter to that effect, but there was no response or reply either from the 4th respondent or from the 2nd respondent. Thereafter, the petitioner received a letter dated 20.04.2019 from the 2nd respondent, stating that the jewel loan account



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expired on 31.03.2019 and the petitioner was directed to settle the outstanding amount within 7 days from the date of receipt of the letter.

4. The petitioner rushed to the Branch and expressed her willingness to settle the entire dues. But the 2nd respondent did not allow to settle the loan outstanding. Hence, the petitioner sent a detailed letter to the 4th respondent, dated 04.05.2019 narrating the fact of letter of 2nd respondent, dated 20.04.2019 which had directed the petitioner to settle the outstanding. In the meanwhile, the petitioner had received a letter from the 3rd respondent on 14.09.2020 stating that Lok Adalat was fixed on 25.09.2020 and the petitioner was directed to participate and settle the loan outstanding in the 4th respondent by remitting 25% initial repayment. But the respondents did not allow the petitioner to participate in the Lok Adalat. Subsequently, the petitioner was made to run Pillar to Post.

5. The Loan details and Jewel particulars for the writ petitioner Shanthi, Thirumalaipalpandian and Vijayalakshmi are extracted hereunder:



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Shanthi:

Gold Jewels list As pe loan application (Ac.No.1020842136003)	As per CBI Seizure proceedings	Loan Amount	Present outstanding as on 11.09.2023
Stone Bangles -2 Stone Ear Ring -2 Stone Ear Ring -2 Stone Ear Chain -2 Dollar Chain -1 Stone Necklace -1 Long Malai -1 Necklace -1	Bangles – 2	Rs.2.96 Lakhs	
Total No. of items : 12 Total Grams : 174	Total Grams : 22		

Thirumalaipalpandian:

Gold Jewels list as per loan application (Ac.No. 1020842138285)	As per CBI Seizure proceedings	Loan Amount	Present outstanding as on 11.09.2023
Stone Chain -1 Stone Necklace -2 Chain -1	Bangles – 2	Rs.2.40 Lakhs	
Total No. of items : 4 Total Grams : 153	Total Grams : 26.5		



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Vijayalakshmi:

Gold Jewels list as per loan application (Ac.No. 1020842133350)	As per CBI Seizure proceedings	Loan Amount	Present outstanding as on 11.09.2023
Stone Chain -4 Stone Necklace -1 Chain -1	Bangles – 2	Rs.3.00 Lakhs	
Total No. of items : 6 Total Grams : 174.50	Total Grams : 51		

6. The learned counsel appearing for the respondents 2 to 4 on instructions submitted that the petitioner Shanthi had obtained a jewel loan to the tune of Rs.2,96,000/- by pledging jewels weighing totally 174 grams. Likewise for Thirumalaipalpandian Rs.2,40,000/- by pledging jewels weighing totally 153 grams and for Vijayalakshmi Rs.3,00,000/- by pledging jewels weighing totally 174.50 grams. However, there were certain discrepancies and allegations that some of the pledged jewels are spurious and loans were disbursed on the spurious jewels.

7. Therefore, the case was registered before the CBI and for Shanthi two bangles are still with the custody of the CBI. Likewise, for



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Thirumalaipandian two bangles and for Vijayalakshmi one chain. It is also submitted that some of the jewels are not in the bank.

8. When the jewels are pledged with the bank, then the bank is responsible and liable to compensate the petitioners. Therefore, this Court is directing the respondents bank to compensate the petitioners as per law and as per procedure.

9. In view of the aforesaid observations and directions, these Writ Petition is allowed. There shall be no order as to Costs.

Index : Yes / No
Internet : Yes
NCC : Yes / No
Ksa

12.09.2023
[2/3]



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To

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Reserve Bank of India,
Rajaji Salai,
Chennai-600 001
2. The Regional Manager
Canara Bank, Risk Management/Credit Review
and Monitoring Section, Circle Office,
Madurai.
3. The Divisional Manager
Canara Bank,
Regional Office,
Theni,
Theni District.
4. The Branch Manager
Canara Bank,
Theni Branch,
Madurai Road,
Theni District.



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S.SRIMATHY, J

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